



CONNECTICUT

**TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)
BY
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR
SUPPORTING
HB-5265, AAC SMALL BUSINESS LENDING
BEFORE THE
COMMERCE COMMITTEE
FEBRUARY 28, 2012**

A non-profit, non-partisan organization founded in 1943, NFIB is Connecticut's and the nation's leading small-business association. In Connecticut, NFIB represents thousands of members and their employees. NFIB membership is scattered across the state and ranges from sophisticated high technology enterprises to "Main Street" small businesses to single-person "Mom & Pop" shops that operate in traditional ways. NFIB's mission is "To promote and protect the right of its members to own, operate, and grow their businesses." On behalf of those small- and independent- job-providers in Connecticut, I offer the following comments:

NFIB/Connecticut supports HB-5265, An Act Concerning Small Business Lending. By allowing the state the state treasurer to use up to \$1 billion from the state pension fund to purchase the federally-guaranteed portion of SBA 7(a) loans for state businesses, this legislation would help further credit access for Connecticut's small businesses.

The more accessible credit can be for Connecticut's small businesses, the more opportunities they will have to invest in and grow their businesses. Sound legislation such as HB-5265 carries very little foreseeable downside and yet very much upside. The sanctity and the security of the state pension fund is not a risk, as the guaranteed portions of the loans are backed by the full faith and credit of the federal government.

In order to make the legislation even more effective, however, NFIB/Connecticut respectfully suggests amending the bill to include a state subsidy for the fee which borrowers currently pay, thus making the program even more attractive to small businesses.

Thank you for the opportunity to comment, and NFIB urges lawmakers to support HB-5265.